

## Program Description for the Commercial-Industrial Grant Program

### Goals and Incentives

The Maryland Energy Administration (MEA) will provide competitive grant awards to implement and showcase ambitious upgrades to commercial and industrial buildings that reduce electricity usage by an estimated 20 percent or more. To encourage the deepest possible energy savings, awards will cover up to 50% of project costs after other incentives have been applied. Currently, MEA anticipates providing awards ranging from \$20,000 to \$500,000, subject to funding availability. All grant funds must be encumbered for each grant awarded by May 2015 via a fully executed grant agreement between MEA and each successful Applicant.

MEA will use the following formula to calculate grant awards:

$$(Project\ installed\ cost - EmPOWER\ utility\ and\ other\ incentives) \times 50\% = MEA\ grant = business's\ out-of-pocket\ cost$$

If, for example, the installed cost of a project is \$50,000, and the total incentives are \$10,000, the MEA total grant award available will be \$20,000 and the owner's out-of-pocket costs will also be \$20,000.

### Project Requirements

- The energy efficiency measures must be estimated to achieve at least 20% electricity use reduction for a whole building or treated space within a building. (Examples of such "treated spaces" include offices or retail establishments within a larger building.)
- Specifications for individual electricity efficiency measures must exceed the minimum energy code requirements for those measures.
- Projects must be comprised of multiple eligible electricity efficiency measures, which include (but are not limited to):
  - Building insulation and envelope improvements
  - Lighting
  - Controls
  - Motors and variable frequency drives
  - Heating, ventilation and air conditioning (HVAC) upgrades
  - Refrigeration
  - Retro- or re-commissioning
  - Energy data analytics
  - Projects that involve only one energy conservation measure (e.g., lighting only) will not be considered for grant award.

- Projects that reduce electricity use solely by switching to another fuel source are not eligible for funding.
- Grantees who are eligible must apply for funding from EmPOWER energy savings programs offered through Maryland utilities.
- Grantees must cover at least 50% of project costs after utility and other incentives have been applied. Loan financing for eligible projects may be available through MEA's [Jane E. Lawton Conservation loan program](#) for all or part of the Applicant's share of project costs.
- The energy efficiency measures must be installed before May 31, 2016.
- Grantees are expected to work with MEA to showcase successful projects in case studies shared through newsletters, web sites, videos, or other educational vehicles.
- Authorized representatives of MEA must be allowed sufficient access to the building to conduct an energy audit, verify installation and measure savings, and document the project as a case study.
- The facility must be located in the State of Maryland, and all upgrades must stay in Maryland in the building in which they were installed.
- **The equipment may not be purchased or installed prior to the signed grant agreement. Applicants may not sign a contract with a bidder prior to the signed grant agreement.**
- Any grant payment is contingent upon inspection of the Project and compliance with all Program requirements and Terms and Conditions.
- An authorized signatory for the Applicant/Business must sign the application.
- The program Terms and Conditions are subject to change.

## Eligibility

Any commercial, industrial, or non-profit enterprise may apply for upgrades to buildings owned by the enterprise that are located in Maryland. Examples include but are not limited to senior living facilities, hotels, supermarkets, office buildings, retail facilities, office areas associated with industrial plants, and restaurants. Public and municipally owned buildings are not eligible for this program; see the [State and Local](#) tab of our website for other program offerings. The authorized signatory is the building owner or legal representative of the building owner.

## How to Apply

The window for applications will open in December 2014 and close January 30, 2015. Applicants must attach all required documentation including 12 months of electric utility bills, a [Utility Addendum](#) that summarizes utility costs, a [Multi-Site Addendum](#) as needed, an energy audit (if available), a bid for the installed cost of the proposed measures provided by a contractor qualified to perform the work, a monthly project plan, and a current Certificate of Status provided by the [Maryland State Department of Assessments and Taxation](#) indicating that the entity is in good standing. Incomplete applications will not be reviewed.

MEA will provide webinars, a dedicated web site, and limited phone support to assist with application completion. Applicants in need of assistance with the application are strongly encouraged to contact MEA early in the application window to allow adequate time to work through any questions.

## Program Timeline

- **December 2014:** The program opens for applications.
- **January 30, 2015:** The application period closes.
- **March 2015:** Grant decisions are announced.
- **May 2015:** Grant agreements are signed.
- **May 31, 2016:** All energy efficiency measures are installed.
- **June 30, 2016:** Final invoices due to MEA.

## Evaluation Criteria

Complete applications meeting the program requirements will be evaluated based on the following criteria:

- Percentage of electricity savings (the project must achieve a minimum estimated 20% savings per building to be eligible).
- Percentage of matching or leveraged funds.
- Demonstration of best practices or innovative technology.
- Project feasibility including a bid demonstrating that the project can be completed by May 2016.
- Cost-effectiveness via a simple payback calculation. Projects should have a simple payback period less than the average useful life of installed measures.
- Completeness and accuracy of energy savings and cost estimates (see additional guidelines below).
- Submission of utility incentive applications if applicable, based on the project's utility service territory.

MEA reserves the right to select applications that will allow for a diversity of Grantee projects providing a broad range of building and industry types, energy conservation measures, and Maryland's geographic regions.

**Guidelines for Quantifying Energy Savings.** While a full energy audits is desirable, an Applicant may still be successful if the application includes the minimum information outlined below.

- **A description of the existing system or equipment that will be modified.** This should include a basic description of the facility and its function, square feet of the building(s), type and model of equipment to be replaced, location of affected equipment, and typical facility operating hours.
- **A description of the proposed project.** Attach a contractor's bid or bids for installed cost of measures, and, if available, manufacturer data sheets. Depending on the measure, this includes:
  - The efficiency rating of the measures you wish to replace
  - The efficiency rating of the measures you are proposing
  - Operational hours – both before and after the proposed upgrade
  - Number and type of units that are being replaced, and the number and type of upgraded units

- **Status of leveraged funds** including information about your application for commercial or industrial efficiency incentives offered by your utility as well as any non-utility funding sources that you intend to leverage for your project.
- **Detailed project cost and energy savings estimates.** Complete a table in your application similar to the one below that quantifies electricity savings for the conservation measures that you propose to install. Project costs must include both material and labor. Your application must show your math and assumptions.

No.	Energy Efficiency Measure & Location	Projected Electric Savings (kWh/year)	Estimated Energy Cost Savings (\$/year)	Estimated Installed Measure Cost (\$)
1				
2				
3				
4				
5				
<b>Total</b>				

## Grant Process

The Commercial-Industrial Grant Program team will rank applications and make one of four determinations for your project:

- Issue a Grant Commitment Letter.
- Require additional information.
- Place the project on a waiting list in the event the program is fully subscribed and additional funding becomes available, or
- Reject the application.

The MEA will communicate with each Applicant regarding their project's selection status. If your application is selected for a grant, MEA will provide a commitment letter that:

- Explains the next steps in verifying energy savings;
- If applicable, requires you to solicit additional bids for your project; and/or
- Provides instructions about meeting various preliminary project requirements within a prescribed time window.

After the Applicant satisfies the preliminary project requirements, MEA will provide a Grant Agreement for signature. All grant awards are expressly contingent upon acceptance of all Program Terms and Conditions, execution of the Grant Agreement, and completion of the project in accordance with all Program requirements, Terms, and Conditions